

MANUAL TRANSMITTAL

Arkansas Department of Human Services Division of County Operations

☒ Policy ☐ Form ☐ Policy Directive

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Transitional Employment Assistance Manual

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From: Joni Jones
Director

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Subj: ESS Child Care Lifetime Limit and Minimum Hours of Work Requirement

<u>Pages to be Deleted</u>	<u>Dated</u>	<u>Pages to be Added</u>	<u>Dated</u>
TEA 5100 -5112 (Pages 167-168)	11/15/99	TEA 5100-5112 (Pages 167-168)	6/15/02

Summary of Changes

TEA Policy 5110 has been revised in accordance with Arkansas Act 1264 of 2001 to incorporate a 36 month lifetime limit on ESS Child Care assistance.

TEA 5110.1 and 5110.2 are two new subsections that have been developed to incorporate a minimum hours of work per week requirement. In addition to case closure as a result of employment, a former recipient must meet a minimum number of hours of work per week to be eligible for ESS child care. For the first 12 months of ESS child care, an individual must be employed at least 20 hours per week or his or her earnings alone cause TEA ineligibility.

The required minimum hours of employment will increase to 25 hours per week in the second year and 30 hours in the third year. During the third year the hours should increase from 30 per week at the beginning of the year to 32 by the end of the year. This increase will allow an employed individual to easily transition from ESS child care assistance to DCC child care assistance, if otherwise eligible, in the fourth year.

TEA 5112 has been revised to update the number of hours of employment required to be eligible for the \$100 earned income deduction. This revision has been made in accordance with the revised DCC regulations.

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5100 Extended Support Services (ESS)

Extended Support Services are available to certain families who lose eligibility for TEA due to earnings. These services are Child Care, ESS Employment Bonus and Transportation assistance, ESS Job Retention, ESS Case Management Services, and Medicaid. Eligibility for these services will be determined by the worker.

*** 5110 Extended Support Services (ESS) Child Care**

Eligibility for extended child care will be determined if a TEA case closes while the individual is employed. This includes cases involving earned income but which close at the client's request. An application is not needed to determine eligibility.

Child care assistance is available to help meet child care expenses for a child for whom child care would be guaranteed while the family was receiving TEA cash assistance (Refer to TEA 3451). Child care assistance will also be available to a child who is born or enters the home after the TEA case closes but during the ESS child care period provided the child is one described in TEA 3451.

For ESS/CC cases, the county cap rate will apply to the total charges by the provider. The county cap rate is the sum of the amount paid by TEA and the amount assessed the client. (Refer to TEA 3452)

ESS child care assistance will be available for a lifetime limit of 3 years (36 cumulative months). The first year (12 months) of ESS child care will be at no cost to the client. The second and third years (13-36 months) will be on a cost sharing basis that is based on a sliding fee scale (Refer to TEA 5111 and Appendix C).

Any month in which a child care provider bills DHS for five (5) or more days will count as a month toward an individual's 36 cumulative months of ESS child care. If more than one child receives child care services, at least one of the children must receive child care services for five days for the month to count toward the limit. (See example below) A day in which any part of the day is billed counts towards the limit.

For purposes of the lifetime count, this policy is retroactive to September 2001. Any month, beginning with September 2001, in which five (5) or more days were billed for a child will count toward the lifetime limit.

Example: The client has two children who received child care services at a local daycare center. Both children were at the daycare center for three days during the month for which the services were billed. This will not count as a month toward the client's 36 month lifetime limit as neither child received at least five days of child care services.

If a client has not needed child care prior to obtaining employment, but later requests child care to accept or maintain employment, the individual may receive ESS child care assistance.

* **5110.1 Minimum Hours of Work Requirement**

To receive ESS child care assistance at no cost during the first twelve months after closure of the TEA case at least one of the following conditions must be met:

- an individual's earnings alone cause the family to be income ineligible, or
- the individual is employed a minimum of 20 hours per week.

To receive ESS child care assistance during the second and third years an individual must be employed:

- 25 hours per week during the second year;
- 30 hours per week during the third year.

Note: During the third year, the hours of employment should increase to 32 hours per week. This is the minimum required hours of employment for Division of Child Care (DCC) low-income child care assistance. By increasing the number of employment hours to 32 by the end of the third year, an otherwise eligible individual will be able to make the transition to DCC child care assistance for the fourth year.

The client will be advised of the minimum hours of work requirement prior to authorization of the ESS child care via form DCO-1413, Notice of ESS Child Care Lifetime Limit and Minimum Hours of Work Requirement.

At each authorization the client will be notified via DCO-1412, TEA Notice of Child Care Action, of the number of months remaining in his or her lifetime limit.

* **5110.2 Verification of Hours of Employment and Income**

At the initial request for ESS child care assistance, the client's declaration regarding the number of hours worked per week or the amount of earnings received will be accepted. However, prior to renewal of the authorization for the second six months of the first twelve months, the hours of employment or earnings must be verified. Form DCO-1414, ESS Child Care Request for Verification of Earnings and Hours of Employment, will be sent to the client to request the verification. If the verified hours of employment are less than 20 hours per week and the earnings are not sufficient to cause TEA ineligibility, the ESS child care case will be closed after appropriate notice.

The client must return the completed form DCO-1414 and provide verification of income and number of hours of employment per week for the second and third years of ESS child care assistance. (See TEA 5111). If the verified hours of employment are less than the required minimum hours the ESS child care case will be closed after appropriate notice.

Failure to verify income and the hours of employment will result in the ESS child care case being closed after appropriate notice.

The client will be advised of the closure via DCO-1412, TEA Child Care Notice of Action. The child care provider must also be notified that the child care case is being closed via DCO-1404, Notification to Provider.

5111 *The Sliding Fee Scale*

The sliding fee scale is used by the worker in the second and third year of ESS/CC to determine the percentage of the child care payment for which the family will be responsible.

This will be determined using earnings information reported and verified by the recipient for each employed TEA adult. The sliding fee scale is used as follows:

1. Take the total gross wages for each adult and multiply by
 - ◆ 4.334 if paid weekly
 - ◆ 2.167 if paid bi-weekly
 - ◆ 2 if paid semi-monthly
 - ◆ 1 if paid monthly
2. Total the monthly earned income for all employed TEA adults;
3. The parent or caretaker relative who is employed at least 32 hours per week will receive a \$100.00 work-related deduction from his or her gross income. If the adult is employed less than 32 hours per week, no deduction is allowed.
4. Add the unearned income to the earned income total (after appropriate deductions).
5. Use the total income amount in #4 to determine which income group the family belongs, according to family size (parents or caretaker relative and siblings).
6. The fee percentage the participant will be required to pay can be found on the bottom row of the scale. A different fee rate is found beneath each income level and ranges from 0% to full rate. Refer to Appendix C for the sliding fee scale.

*

5112 *Participant's Responsibility to Pay ESS Fees to Provider*

The following will be explained to the participant:

1. The individual's responsibility for paying registration and activity fees (as determined by the provider).
2. The amount the individual is expected to pay to the provider (sliding fee scale);

TEA Child Care Notice of Action
Arkansas Department of Human Services
Division of County Operations

If you need this material in a different format, such as large print, contact your DHS County Office.
Si necesita este formulario en Español, llame 1-800-482-8988

TO: _____ **DATE:** _____

_____ **COUNTY:** _____

Section I. Notice of Action

The following action(s) has been taken regarding your eligibility for child care assistance:

- ☐ No change was made regarding your eligibility for child care assistance.
☐ The amount of child care that you pay has changed. DHS will pay _____ and you will pay _____
per _____ to the child care provider effective _____.
☐ Your child care assistance will end on _____.

Section II. Notice of TEA Extended Child Care (ESS CC) Authorization

☐ **12 Months No Cost ESS Child Care**

Because your TEA cash assistance case closed while you were employed, you are currently receiving ESS Child Care. You are currently in the _____ month of receiving ESS Child Care assistance at no cost to you. This is to notify you that you have _____ months of ESS Child Care remaining in your 12 months of no cost child care.

☐ **24 Months Sliding Fee Scale Child Care**

Because you have previously received 12 months of ESS Child Care at no cost to you, you are now receiving ESS Child Care on a cost sharing basis. You are currently in the _____ month of your 36 months lifetime limit of ESS Child Care. You have _____ months of ESS Child Care remaining in your lifetime limit. DHS will pay _____ and you will pay _____ per _____ to the child care provider effective _____.

REASON FOR ACTION:

Our policy supporting this action is _____. The above action will be/has been taken on _____.
If you disagree with the action taken, you have the right to a hearing, which must be requested by _____.

Please Read The Back Of This Notice For Information About What To Do If You Disagree With This Action, And Your Right To A Hearing.

If you become unemployed, you must report this change within 10 days of the date the change occurs. By reporting in a timely manner, you will preserve any remaining months of this benefit. If you continue to receive ESS child care assistance while you are not employed, you will be required to repay all ESS Child Care assistance received during that time and you may be subject to prosecution for fraud and fined and/or imprisoned.

Signature of County Office Representative
DCO-1412 (04/02)
Page 1 of 2

Phone Number

Your Right to a Hearing

If you disagree with the action the agency plans to take/has taken, you may request and receive a hearing. If you request a hearing by the date shown in the box on the front of this form child care assistance will continue pending a hearing. If assistance is continued at its present level or reinstated until a decision is reached, you may be required to repay the additional benefits if the hearing decision is not in your favor. The latest you may file an appeal is 30 calendar days from the date of this notice. However, benefits will not be continued pending the hearing if your appeal is filed after the date shown in the box on the front of this form.

How to File for a Hearing

If you are not satisfied with the decision on your case, you may request a hearing by completing form DHS-1200 (Appeal for a Hearing), or by writing the Appeals and Hearings Section, P. O. Box 1437, Slot 1001, Little Rock, AR 72203-1437. Form DHS-1200 can be obtained from the local Human Services Office.

Your Right to Representation

If you request a hearing, you have the right to appear in person and to be represented by a lawyer or other person you select. If you wish to have a lawyer, you may ask the local Human Services Office to help you arrange for one. If free legal services are available where you live, you may ask your Human Services Office for the address and phone number.

Prior to the hearing, you and/or your representative have the right to review your record and any other evidence which will be presented at the hearing. You have the right to present evidence in your own behalf, to bring witnesses, and to question any person who is presented as a witness against you.

Your Responsibility to Report Changes

It is your responsibility to report changes in school attendance, employment, earned income, and any other changes that could affect your eligibility for child care. Changes must be reported within 10 calendar days to your child care worker. Failure to report changes may result in an overpayment and action may be taken by DHS to collect the overpayment. You may also be subject to prosecution for fraud and fined and/or imprisoned.

INSTRUCTIONS

DCO-1412

Form DCO-1412, TEA Child Care Notice of Action, is used to notify a TEA recipient or a former TEA recipient of any action made regarding TEA child care assistance, and of the number of months remaining in the ESS Child Care 36 month lifetime limit. Form DCO-1412 will be sent to the ESS child care recipient at each re-authorization.

COMPLETION

Section I – TEA Child Care

The Case Manager will indicate the action taken by checking and completing the appropriate item.

Section II – Extended Support Services Child Care

- 12 Month No Cost ESS CC - The Case Manager will check the box and complete the number of months the client has received ESS child care and the number of months remaining in the 12 months of no cost child care.
- 24 Months Sliding Fee Child Care – The Case Manager will check the appropriate boxes, and complete information in the spaces provided.
- Reason For Action – A clear and concise statement as to the reason for the action will be shown in the space provided. This statement should be specific and in language which the recipient can be expected to understand. The specific TEA manual policy reference will be shown. In the appropriate spaces, the Case Manager will complete the date the action has been or will be taken and the date by which the client may appeal the action. This date will be 10 days following the date form DCO-1412 is sent. (The client has 30 calendar days in which to appeal the action, however the appeal must be filed within 10 days of the date the form is sent in order to continue receiving benefits pending the hearing.)

ROUTING AND RETENTION

Form DCO-1412 will be mailed to the recipient. A copy will be filed in the Supportive Services Section of the case record and be retained until the case record is destroyed.

**Arkansas Department of Human Services
Division of County Operations**

**Notice of
ESS Child Care Lifetime Limit
& Minimum Hours of Work Requirement**

TO: _____

DATE: _____
FROM: _____

This is to notify you that Arkansas State law has limited TEA Extended Support Service (ESS) Child Care assistance to a lifetime maximum of 36 months. The first 12 months you receive ESS Child Care will be at no cost to you. You may be required to pay a portion of your child care expenses during months 13-36 of ESS Child Care assistance based on a sliding fee scale and your household's income.

Any month in which your child care provider bills 5 days of care for your child (ren) will count as one of your 36 months.

To receive ESS Child Care assistance you are required to work a minimum number of hours per week as shown below:

First 12 months (no cost)

- **You must be working at least 20 hours per week, or your earnings must be enough to cause you to be ineligible for TEA cash assistance.**

24 Months on Sliding Fee Scale

- **Months 13-24 (sliding fee) 25 hours per week minimum**
- **Months 25-36 (sliding fee) 30 hours per week increasing to 32***

*Your hours of work in months 25-36 should increase to a minimum of 32 hours per week. When you are no longer eligible for TEA ESS Child Care assistance, you may be eligible for child care assistance through the Division of Child Care (DCC). One of the eligibility requirements for DCC child care is that you are working 32 hours per week.

Instructions

DCO-1413

Notice of ESS Child Care Lifetime Limit & Minimum Hours of Work Requirement

Purpose

The DCO-1413 is used to notify the individual whose TEA case is closing with employment of the ESS Child Care assistance lifetime limit and the minimum hours of work requirement.

Completion

Completion of the form is self-explanatory.

Routing and Retention

The DCO-1413 will be given to the client with a copy filed in the Supportive Services Section of the TEA case record. The DCO-1413 will be retained in the case record until the case record is destroyed.

Arkansas Department of Human Services
Division of County Operations
ESS Child Care Request for Verification of Earnings and Hours of Employment

TO: _____ DATE: _____

_____ FROM: _____

Section I

You are currently receiving TEA Extended Support Services (ESS) child care assistance because your TEA case closed while you were employed. Your current ESS child care authorization will end on _____. In order to continue to receive ESS child care assistance after this date, you must verify the monthly **amount of your earnings** and the **number of hours per week you are working**. You can do this by attaching your last 4 check stubs to this form, or by having your employer complete Section II below. You must return this form and the verification to me by _____. Contact me at the number below if you need help in getting this information.

(TEA Case Manager)

(Phone Number)

Please complete and sign this section

I am currently employed ☐ Yes ☐ No If yes, how many hours per week do you work? _____
What is the name of your employer? _____

If you receive ESS child care assistance while you are not employed, you will be required to repay DHS all such assistance received during that time and you may be prosecuted for fraud and fined and/or imprisoned.

Client's Signature

Date

Section II – To Be Completed and Signed by Employer

(Employee's Name)

(Employee's SSN)

The above employee began work _____ and earns \$ _____ per hour. He/she works an average of _____ hours per week and is paid ☐ Weekly ☐ Monthly ☐ Every 2 weeks ☐ Twice a month

Please show GROSS EARNINGS (before any deduction) paid to this employee as indicated. Please list each paycheck separately.

Pay Period Ending	Date Received	Hours Worked	Gross Wages	Tips

Place of Business

Address

Employer/Payroll Clerk Signature
DCO-1414 (4/02)

Date

Phone Number

INSTRUCTIONS

DCO-1414, ESS Child Care Request for Verification of Earnings and Hours of Employment

Purpose

Form DCO-1414 is used to request verification of earned income and hours of employment for the ESS child care recipient.

Completion

Section I - The TEA Case Manager will complete the client's name and address, the date and county office information. The Case Manager will also complete the date the client's current child care authorization will end, the date the verification of earnings and hours of employment must be submitted to the county (at least ten days from the date of the request), and the Case Manager's name and phone number in the spaces provided.

Section II – The TEA Case Manager will complete the client's name and Social Security number in the spaces provided. At the client's option, the employment verification can be completed by his or her employer or check stubs can be provided.

Routing and Retention

The form will be given or mailed to the client. If the completed form is returned to the county office, it will be filed in the case record in Section 5 (TEA Supportive Services) and retained until the record is destroyed.

READ THE FOLLOWING CAREFULLY BEFORE YOU SIGN THIS APPLICATION.

- I understand that I must help establish my eligibility by providing as much information as I can about my circumstances.
- I authorize DCO to obtain information from other state agencies and other sources to confirm the accuracy of my statements.
- I understand that no person may be denied TEA or Medicaid benefits on the grounds of race, color, sex, age, handicap, religion, national origin, or political belief.
- I may request a hearing from DHS if a decision is not made on my case within the proper time limit or if I disagree with the decision.
- I agree to notify the DHS county office within 10 days if I or any of my dependents cease to live in my home, if I move, if I become employed or my earnings change, or if any other changes occur in my circumstances.
- I authorize DHS to examine all records of mine or records of those who receive or have received Medicaid benefits through me to investigate whether or not any person has committed Medicaid fraud, or for use in any legal, administrative or judicial proceeding.
- I understand that cash assistance will be limited to twenty-four (24) months of my lifetime.

CHILD SUPPORT ENFORCEMENT REQUIREMENTS

- **TRANSITIONAL EMPLOYMENT ASSISTANCE (TEA)** – I understand that if I accept TEA cash assistance, by state law, I will have assigned all rights, title, and interest in any support that I have in my own behalf or in behalf of any other person for whom I am receiving TEA. I understand that all support payments including those received by me directly from the absent parent are to be paid to the Office of Child Support Enforcement. I understand that this assignment ends when I no longer receive TEA except as to any unpaid support obligation that has accrued at the time my TEA case is closed. I also understand that as a condition of eligibility for TEA, I must cooperate with the Office of Child Support Enforcement in establishing paternity and obtaining child support.
- **MEDICAID** – As a condition of eligibility for Medicaid, each applicant or recipient must cooperate with the office of Child Support Enforcement (OCSE) in establishing paternity and obtaining medical support for each child who has a parent absent from the home. All other OCSE services, including collection of child support payments from the absent parent, will be provided unless OCSE receives a written notice from me that I do not want these services.

ASSIGNMENT OF MEDICAL PAYMENTS

I authorize any holder of medical or other information about me to release information needed for a Medicaid claim to DHS. I further authorize release of any information to other parties who may be liable for my medical expenses. As an eligibility condition, I automatically assign my right to any settlement, judgment, or award which may be obtained against any third party to DHS to the full extent of any amount which is paid by DHS on my behalf. I authorize and request that funds, settlement or other payments made by or on behalf of third parties, including tortfeasors or insurers arising out of a Medicaid claim, be paid directly to DHS. My application for Medicaid benefits shall in itself constitute an assignment by operation of law and shall be considered a statutory lien of any settlement, judgment, or award received by me from a third party. A third party is any person, entity, institution, organization or other source which may be liable for injury, disease, disability or death sustained by me or other named herein, including estates or said individuals. I also assign all rights in any settlement made by me or on my behalf arising out of any claim to the extent of medical expenses paid by DHS, whether or not a portion of such settlement is designated for medical expenses. Any such funds received by me shall be paid to DHS. A copy of this authorization may be used in place of the original.

*** TEA EXTENDED SUPPORT SERVICES (ESS) CHILD CARE ASSISTANCE**

I understand that I must be employed to receive TEA Extended Support Services (ESS) Child Care Assistance. I understand that if I receive ESS Child Care assistance because my TEA case closes while I am employed, I must report to the DHS county office within 10 days any time my employment ends. I understand that if I continue to receive ESS child care assistance while I am not employed, I will be required to repay to DHS all ESS child care assistance I have received during that time and that I may be subject to prosecution for fraud and fined and/or imprisoned.

*** INTENTIONAL PROGRAM VIOLATION (IPV)**

I understand that if I, or a member of my household, intentionally gives false statements, misleading statements, conceals or withholds information for the purpose of establishing or maintaining my family's eligibility for TEA or for increasing the amount of the TEA grant, I may be found guilty through a court of law or administrative hearing process of an IPV. I understand that if I am found guilty or plead guilty to an IPV, my family will not be eligible to receive TEA for one year for the first offense, two years for the second offense and permanently for the third offense. I understand that if I am convicted of fraudulently receiving TANF assistance in two or more states at the same time, I will be ineligible for TEA for 10 years.

Personal Responsibility Agreement

I understand public assistance is temporary as I seek to become self-supportive and economically independent. I understand that it is my responsibility to find and keep a job and to secure all other potential sources of income for the support of myself and my dependent children.

In return for public assistance, I agree to be held responsible for:

1. Looking for employment or following up on job referrals required by my case worker before, during, and after approval of my application for assistance.
2. Cooperating with my case worker in developing and following my Employment Plan. DHS has informed me that the supportive services described in the attached information will be available to me as needed to comply with my Employment Plan.
3. Accepting full or part-time employment that may be offered.
4. Not voluntarily terminating employment.
5. Ensuring that my children receive their age appropriate childhood immunizations. (I understand that I will receive guidance from my caseworker on how to achieve this without cost to myself.)
6. Ensuring that my school age children attend school.
7. If I am an unmarried minor parent, I will reside in the household of a parent, legal guardian, other adult relative, or in an approved adult-supervised living arrangement unless my caseworker approves other living arrangements. I understand that I should tell my caseworker away if circumstances occur that requires alternative living arrangements.
8. Cooperating with the Office of Child Support Enforcement in seeking child support payments and/or establishing paternity.

I understand that in some circumstances the agency may determine that I had good cause for not complying with the above requirements and in certain unique circumstances I may be granted an extension or exemption of a specific program requirement.

I also understand that I must sign this Agreement in order to apply for Transitional Employment Assistance.

I declare under penalty of perjury that the information I have provided on this form is true and correct. If I receive benefits for which I am not eligible because I withheld information or provide inaccurate information, such assistance will be subject to recovery by DCO. Any assistance I receive in the future may be reduced to recover this overpayment, and I may be subject to prosecution for fraud and fined and/or imprisoned.

Parent/Caretaker Relative Signature

Date

Parent/Caretaker Relative Signature

Date

Minor Parent Signature (if appropriate)

Date

Case Worker's Signature

Date